

Example 5-05E Risk Matrix

RISK MATRIX	SERVICE USE CHARGE FUND	SEWER	C-1 The Public Works Permitting division notifies the Environmental Enforcement Division of ESD of all major new developments for industrial users.	C-2 Environmental Enforcement determines which companies should be monitored.	C-3 The Planning department forwards monthly Building Permit Reports, address changes, and new tract maps to the Sewer Billing Unit.	C-4 IT generates a report from the County parcel change tape for sewer services. The Principal Account Clerk reviews the report, keys appropriate changes and initiates computer upgrade.	C-5 Every July, the Sewer Billing Unit obtains the official maps for all changed parcels in the City limits.
REVENUES - Sewer Service and Use Charges:							
T-1 Parcel locations in the database are not accurate (users are not charged for services)			A	A	A	A	A
T-2 Parcel coding the sewer database is not accurate (e.g. type of business)					A		
T-3 Flow information is not accurate							
T-4 Loss adjustment factors in the database are not documented and/or appropriate							
T-5 Sewer fee calculations are not accurate							
T-6 Treasury is not following up on delinquent in-house invoiced acocunts							
T-7 The sewer billing database is vulnerable to disruption							
REVENUES - Rate Structure:							
T-8 City is not in compliance with the Muni Code requirements setting sewer fees							
T-9 City is not in compliance with state revenue guidelines							
T-10 Rates are inappropriate, inaccurate, inequitable, excessive, or out of date							
T-11 City is not in compliance with Prop 218							
REVENUES - Sources of Funds							
T-12 County remitted sewer service charges are inaccurate							
T-13 Pooled investment earnings (interest income) are not properly distributed among the wastewater funds							
T-14 Cash balances are unnecessarily high							
EXPENDITURES - Direct Expenditures:							
T-15 Allocation of department costs and direct charges to the SSUC Fund are inappropriate and/or not in compliance with Muni Code							
T-16 ULFT rebate program is not needed for new installations							
EXPENDITURES - Transfers:							
T-17 Transfers to other funds are inappropriate and/or not in compliance with Muni Code							
T-18 Money transferred to other funds are commingled inappropriately							
T-19 Interest transfers to the General Fund were unnecessarily discontinued							
T-20 Overhead transfers to the General Fund do not cover General Fund costs.							
EXPENDITURES - TPAC:							
T-21 Cost distributions between the City and tributary agencies do not accurately reflect actual usage							
T-22 The City is paying more than its proportionate share for community relations costs and/or wastewater reduction incentive programs							
FLOW OF FUNDS AND ORGANIZATIONAL RESPONSIBILITY- Complexity of Fund Accounting and Division of Responsibility							
T-23 Funds have outlived their usefulness							
T-24 Complexity of the flow of funds requires staff to spend too much time on fund accounting							
T-25 Responsibility for monitoring the flow of funds is divided, too decentralized and not adequately coordinated							
T-26 Organizational division of wastewater responsibilities creates operational inefficiencies (aspects of the program are organizationally misplaced)							
FLOW OF FUNDS AND ORGANIZATIONAL RESPONSIBILITY - Interfund loans							
T-27 Loans to other funds are not formally documented, recorded, authorized and/or approved							
T-28 Interfund loans are not repaid							
T-29 Interest on loans to other funds is not being accrued							

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[illegible]

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[illegible]

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[illegible]

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C-65 Funds are closed out once their purpose has been served.	C-66 Debt service requires separate tracking (ie. Funds 530 and 534 are yield restricted).	C-67 New funds are reviewed and approved.	C-68 ESD Admin Unit has primary responsibility for monitoring wastewater funds and preparing the financial statements.	C-69 ESD Admin Unit has received approval for additional staff to account for debt service (previously handled by Finance).	C-70 All funding requests are submitted to the Budget Office for review and approval.	C-71 1993-94 reorganization of OEM, WPCP, and divisions of the Public Works departments yielded ESD.	C-72 No loans out of the sewer fund (fund 541).	C-73 Loans are documented, recorded, authorized and/or approved.	C-74 Loans are repaid according to the terms of the loan agreements.	C-75 Interest is accrued and/or transferred according to the terms of the loan agreements.
A	A									
		A								
			A	A						
						A				
			A				A	A		
			A				A		A	
			A				A			A